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IN THE HIGH COURT OF JUDICATURE AT BOMBAY

CIVIL APPELLATE JURISDICTION

WRIT PETITION NO. 3481 OF 2007

FRANCO-INDIAN PHARMACEUTICALS
PVT. LTD. ... Petitioner

V/s

FRANCO-INDIAN WORKERS' UNION ... Respondent

Mr. J.P. Cama with C.U. Singh i/by M/s. Sanjay Udeshi & Co. for the petitioners.

Mrs. Gayatri Singh for the respondent.

CORAM: SMT. NISHITA MHATRE, J.

DATED: 2ND JULY, 2007.

P.C.:

. This petition challenges the interim award passed by the Industrial Court on 31.1.2007. By this award, the Tribunal has granted Rs.1500/- per month to each workman concerned in the present reference as an ad-hoc rise, subject to the amount being adjusted against the final award.

2. The learned Counsel appearing for the Petitioner submits that a similar interim award was made by the Tribunal in the same Reference, granting an ad-hoc

increase in the wages payable to the workmen. This award was set aside by a learned Single Judge of this Court. According to the learned Counsel, the reasons mentioned in the earlier award for granting an increase in wages are the same as those stated by the Tribunal in the present award and it is, therefore, necessary to set aside the impugned award. The learned Counsel further submits that the increase of Rs.985/- per month was granted to the workmen under a settlement of 2002 signed by the Petitioner with the rival union i.e. FIE Union which according to the Petitioner represents the majority of the workmen today. A second settlement was signed between the petitioner and the FIE Union granting a rise of Rs.2685/- per month. According to the learned Counsel, the increase granted in the impugned award of Rs.1500/- per month is baseless as the other workmen were granted only Rs.985/- per month from 2002 onwards; only the workmen in the Head office and Distribution Office were granted an increase of Rs.2685/- per month from 2006.

3. The learned Counsel appearing for the Respondent Union submits that the members of the respondent union have not been granted any increase in wages for a long period of time. The settlement of 2002 was made applicable only to the member of the rival union i.e.,

Franco Indian Employees Union. She submits that the Industrial Tribunal has given cogent reasons justifying the award of Rs.1500/- per month as an interim wage rise per workman concerned in the Reference. She further submits that in any event, the workmen would be entitled to the wage rise given to the other workers represented by the Franco Indian Employees Union as there cannot be disparity in the wages payable to the workers in the same establishment.

4. A perusal of the impugned award indicates that the Tribunal was alive to the fact that the Consumer Price Index had increased substantially from 2002. It is trite law that an increase in the Consumer Price Index would by itself be sufficient reason to grant an increase in wages to the workmen **(A.I.R. 1973 SC 1266).**

5. In my opinion, the Tribunal has given cogent reasons for granting an increase in wages. The Tribunal has observed that, whereas some employees working in the undertaking had benefited by the wage revision of 2002, the members of the respondent Union were not given a similar increase. The Tribunal has also observed that though the petitioner had contended in its written statement and reply to the interim application that its financial position was not sound, workers who were not

members of the respondent Union were given a wage rise twice, in 2002 and 2006. No fault can be found with these observations of the Tribunal and the reasons. However, the rise of Rs.1500/- p.m. granted from 2002 onwards appears to be baseless. Admittedly, the agreement of 2002 gave a wage rise of only Rs.985/- p.m. The Tribunal could not therefore have granted Rs.1500/- from 2003 onwards. The award would therefore have to be corrected to that extent. The members of the respondent-union who are concerned in the present Reference would thus be entitled to an increase of Rs.985/- per month from the date of the application filed by them for interim relief. However in 2006 again, there has been an agreement with the other union when a wage increase of Rs.2685/- p.m. has been granted. The Tribunal therefore, ought to have granted an increase above Rs.985/- p.m. from 2006 onwards i.e. from 1.4.2006 which is the date from which the second settlement has been made effective. Admittedly, the Petitioner has been depositing Rs.500/- per workman in the Industrial Tribunal as an interim measure pursuant to the directions of this Court while remanding the Reference.

6. In such circumstances, the award of the Tribunal dated 31.1.2007 is modified to the following extent:-

i) The members of the respondent union who are concerned in the present Reference whether working at the factory, Head Office, Distribution office or elsewhere, shall be paid an increase of Rs.985/- per month from 20.12.2003 (the date on which the application for interim relief was filed) upto 31.3.2006.

ii) All workers concerned in the Reference whether working in the factory, Head office, Distribution office or elsewhere, shall be entitled to a wage rise of Rs.1500/- per month from 1.4.2006.

iii) The aforesaid amount shall be paid to the workmen within one month from today.

iv) The amount which has been deposited by the Petitioner in the Industrial Court pursuant to the orders of this Court may be withdrawn by the Petitioner after payment of the aforesaid amounts to the workmen concerned in Reference (IT) No. 67 of 2003.

7. Writ Petition is disposed of in the above terms.

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